

State of Alaska FY2007 Governor's Operating Budget

Department of Education and Early Development Alaska Postsecondary Education Commission Results Delivery Unit Budget Summary

Alaska Postsecondary Education Commission Results Delivery Unit

Contribution to Department's Mission

ACPE's mission is to promote, support, and provide access to postsecondary education in Alaska and for Alaskans.

WWAMI's mission is to enhance the quality of health care by providing access to and delivering medical training in Alaska and for Alaskans.

Core Services

The Alaska Commission on Postsecondary Education (ACPE/Commission) was created and has been charged by the Alaska Legislature to carry out its mission.

ACPE carries out this mission by delivering core services to:

- Provide student financial aid for postsecondary education and training
- Promote postsecondary education participation in Alaska
- Protect consumers through institutional authorization and consumer complaint investigation

Under agreement with the Alaska Student Loan Corporation (ASLC or Corporation), the Commission has developed and delivers the AlaskAdvantage® Programs and Services and administers certain other occupational area-specific education loan programs.

AlaskAdvantage® programs and services include outreach and early awareness programs intended to increase Alaskans' awareness of the importance of academic and financial planning to insure both access and success in postsecondary education. ACPE is increasing its activities to make state residents aware that postsecondary education is possible for all Alaskans--regardless of their economic or social status. One key agency goal is to provide Alaskans with the tools and information to make sound postsecondary education/training investments and decisions by developing an electronic resource of education/training/labor information. This developing resource for all Alaskans expands ACPE's communication to not only students but also to parents, families, policymakers, professional colleagues, communities, and co-workers.

ACPE also monitors postsecondary educational opportunities both in and outside Alaska and provides Alaskan education consumers with information on these opportunities on a regular basis. Except for certain exempt institutions, ACPE is the regulatory agency for all postsecondary schools that operate in the state. The Commission emphasizes quality in postsecondary education and training to ensure value for Alaskans in their pursuit of lifelong learning. This emphasis is essential to provide education consumer protection in Alaska.

Core Services Detail

This RDU administers and services the following state/federal financial aid programs:

- 1) AlaskAdvantage® Education Grants;
- 2) AlaskAdvantage® Federal Education Loans;
- 3) AlaskAdvantage® Supplemental Education Loans (ASEL);
- 4) Pre-2002 Alaska Student Loans (ASL);
- 5) ASL Consolidation Loans;
- 6) Teacher Education Loans (TEL);
- 7) Family Education Loans (FEL);
- 8) WWAMI Medical Education Loans;
- 9) WICHE Professional Student Exchange Program Loans;
- 10) Western Undergraduate Exchange (WUE);
- 11) Western Regional Graduate Program (WRGP);
- 12) Alaska's GEAR UP Scholarship; and
- 13) Miscellaneous state memorial education loan programs created for special purposes or target populations.

Servicing operations/administrative duties encompass:

- Processing education grant applications and disbursing and administering grant funds;
- Producing, disseminating and reviewing initial applications and awarding loans;
- Disbursing loan funds to approved institutions in the U.S. and abroad;
- Monitoring loans during the enrolled and grace periods; entering borrowers into repayment;
- Processing deferments and forgiveness of loan payments, where warranted; processing payment, adjustment and balance correction transactions;
- Performing administrative collections action;
- Acting as a one-stop resource for postsecondary education planning and financing services for all Alaskans;
- Identifying at risk students in elementary and secondary education and providing them (and their families) with targeted information about the importance of postsecondary education and, subsequently, providing ongoing related information and assistance in accessing postsecondary programs;
- Advertising educational exchange opportunities to Alaskan residents;
- Certifying Alaskan residents as eligible for participation under the various WICHE student exchange programs;
- Representing Alaskan issues and concerns to the western member states; and
- Assisting in the development of new programs which serve to expand postsecondary opportunities for Alaskans.

Core Services Objectives

- Award and disburse grants
- Issue loans
- Insure quality servicing of education loans
- Insure the quality of the loan portfolio through effective collections and enhanced revenues
- Continue improving service to loan borrowers through informed use of technology
- Continue quality internal operations through increased accountability and quality control
- Administer other financial aid programs that benefit Alaska postsecondary education consumers
- Insure adequate funds are available to meet loan demand

End Results	Strategies to Achieve Results
A: Increase Alaskans' participation in postsecondary education. <u>Target #1:</u> Growth to 41% of Alaska 19-year-olds in college by 2010 <u>Measure #1:</u> Change in college participation rate for Alaska 19-year-olds	A1: Increase public awareness of postsecondary education and training value. <u>Target #1:</u> Service delivery to 100% of targeted parent/student groups <u>Measure #1:</u> Percent of Alaskans served by outreach efforts A2: Collaborate with Alaska high schools to offer outreach activities <u>Target #1:</u> 20% of Alaskan high schools participating in outreach activities <u>Measure #1:</u> Percent of Alaska high schools collaborating with ACPE to offer higher education outreach services.
End Results	Strategies to Achieve Results
B: Reduce Alaskans' cost of postsecondary education <u>Target #1:</u> Two percentage points below federal rates <u>Measure #1:</u> Interest rates on education loans	B1: Reduce program costs due to borrower default, delinquency and death <u>Target #1:</u> 35% of gross loans disbursed have federal guarantee <u>Measure #1:</u> Percent of loans issued with federal guarantee

	<u>Target #2:</u> Maintain cohort default rate of 5% or lower <u>Measure #2:</u> Cohort default rate B2: Maintain low program administrative costs. <u>Target #1:</u> Maintain administrative cost at or below 2.5% of outstanding loans portfolio. <u>Measure #1:</u> Program administrative costs as a percent of portfolio
End Results	Strategies to Achieve Results
C: Ensure authorized Alaska postsecondary institutions deliver value-added training products that equip students with the skills and competencies expected and required by Alaska employers. <u>Target #1:</u> Authorized program completers employed within 90 days of program completion. <u>Measure #1:</u> Institutional compliance with state standards	C1: Provide proactive school compliance program to assist owners and operators in understanding and complying with requirements <u>Target #1:</u> 100% of authorized schools in compliance with state standards <u>Measure #1:</u> 100% of authorization applications approved C2: Collect and report placement rate for programs delivering authorized job-specific training <u>Target #1:</u> 75% of authorized program completers employed within 90 days of program completion <u>Measure #1:</u> % of authorized program completers employed within 90 days of program completion

FY2007 Resources Allocated to Achieve Results

FY2007 Results Delivery Unit Budget: \$13,363,000

Personnel:

Full time	104
Part time	0
Total	104

Performance Measure Detail

A: Result - Increase Alaskans' participation in postsecondary education.

Target #1: Growth to 41% of Alaska 19-year-olds in college by 2010

Measure #1: Change in college participation rate for Alaska 19-year-olds

Chance for College by Age 19 for Alaska Students as a percent

Year	YTD Total
2000	27.6
2002	28.1
	+1.81%

Analysis of results and challenges: ACPE's overarching goal is to increase the number of Alaskans participating in and therefore benefiting from higher education. To measure the number, ACPE relies on the Chance for College report, published every other year by the Mortenson Research Seminar on Public Policy Analysis of Opportunity for Postsecondary Education. This national report was chosen due to its emphasis on

state-by-state differences and its focus on measuring access. Chance for college rates are calculated by multiplying each state's high school graduation rate by its college continuation rate, using state-level data reported to the National Center for Education Statistics. Thus, this statistic measures the movement of high school students through the higher education pipeline.

Change from 2000 to 2002:

Over the last reporting period, the overall chance for college for Alaskan 19-year-olds increased slightly from 27.6% to 28.1%. Although this gain is modest, it is meaningful in that Alaska no longer has the lowest rate in the nation. With the 2002 increase, Alaska moves to number 48th in the nation, and we expect to continue to see modest but steady movement closer to the national average.

Alaska's outreach campaigns specifically target middle-schoolers, based on overwhelming research documenting that children have decided whether they are college material by eighth grade. The outreach message is then reinforced throughout Alaskan teens' high school years. Based on these programs being implemented in 2001, we do not expect to see a sustained, significant change in the chance for college rate until 2006, when the first targeted population enters college.

An important and unique aspect of AlaskAdvantage outreach programs is that they are targeted to send age-appropriate, sequenced messages to both children and their parents. Each fall, the Commission direct mails materials to Alaska's 8th grade and 11th grade populations, encouraging them to begin planning for higher education, and to consider the educational opportunities available in Alaska. Materials are mailed to the address provided with the child's PFD application, thus ensuring that all students, whether in public, private, or home school, receive the same message. At the same time as the materials are sent to the child, a postcard is direct mailed to the parent or guardian, letting them know what has been mailed to their child, and asking them to take the time to talk to their child about higher education. The postcard also provides information about where the parent can get answers to parent questions, and assistance in talking to the child about college. Materials are also provided to teachers and counselors throughout Alaska.

Through AlaskAdvantage® outreach programs, ACPE intends to effect increases in these statistics by providing Alaska's students, parents and educational professionals with information and resources necessary for them to plan for higher education.

A1: Strategy - Increase public awareness of postsecondary education and training value.

Target #1: Service delivery to 100% of targeted parent/student groups

Measure #1: Percent of Alaskans served by outreach efforts

Percent of Alaskans Served by Outreach Efforts

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD Total
2004	92	5	3	0	100
2005	42	19	20	19	100

Analysis of results and challenges: This table summarizes the percent of targeted Alaskans receiving higher education outreach information. Through the combined outreach campaigns, ACPE successfully reached 100% of the target parent and student audiences. This audience represents 58,451 Alaskans.

A primary vehicle for outreach delivery is the AlaskAdvantage early awareness campaign, promoting postsecondary education access and success by:

- Supplying higher education-related promotional items and information resources.
- Providing publications and activities for various age groups.
- Training and supporting school counselors and adult mentors.
- Increasing student and public awareness of Alaska's own higher education resources.

5th/6th Grade: A "Dare to Dream" theme encourages young students to think about careers they might like to pursue. Activities at this age present the benefits of higher education in terms of expanded choices and

options, and allow students to visualize themselves going to college.

7th/8th Grade: The "Chart Your Course" campaign reinforces the dependency link between higher education and different career paths. Campaign activities assist students as they plan their high school courses and provide them tools that equip them for postsecondary success.

11th/12th Grade: The Going to College in Alaska magazine introduces students to the various forms of postsecondary education (academic degrees, career skills training, and vocational education), and promotes postsecondary education opportunities right here in Alaska. School financial aid or college prep nights provide further assistance to these students as they plan and prepare for postsecondary education.

"College Is For Me" Early Exposure Programs: Partnering with Alaska's accredited schools, ACPE can help develop a unique experience for students as young as 5th grade. Options include field trips to a local campus when possible.

Parental Involvement

- Parents are sent written notices to coincide with publication mailings to their child.
- Parents are invited to join their children at any of our events.
- Partnering with PTA groups affords parents opportunities to contribute to, and greatly increase the impact of our efforts.

A2: Strategy - Collaborate with Alaska high schools to offer outreach activities

Target #1: 20% of Alaskan high schools participating in outreach activities

Measure #1: Percent of Alaska high schools collaborating with ACPE to offer higher education outreach services.

Percentage of Alaska School Districts Served by Higher Ed. Outreach Services

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD Total
2004	31	35	20	15	100
2005	6	23	37	34	100

Analysis of results and challenges: This table summarizes the percent of Alaska school districts benefiting from higher education outreach services over the past two years since implementation of AlaskAdvantage outreach programs. Through collaborative outreach programs (e.g., financial aid nights, career planning nights, etc.) with the high schools in these school districts, ACPE successfully reached 100% of its target populations. In FY05, services were provided in the form of 302 outreach events offered throughout the six Alaska regions (Arctic, Western, Interior, Southwestern, Southcentral, and Southeast Regions). In each region, events included community liaison visits, public awareness events, financial and training and planning activities, higher education planning activities and support for organizations offering higher education mentoring.

B: Result - Reduce Alaskans' cost of postsecondary education

Target #1: Two percentage points below federal rates

Measure #1: Interest rates on education loans

AlaskAdvantage Loan Rates

Alaska federal loan rates – in-school period					
Year	Federal Rate	AlaskAdvantage Rate after Benefits	AK Rate Difference		
2004-2005	2.77%	0.00%	2.77 % lower		
2005-2006	4.70%	2.50%	2.20 % lower		
Alaska federal loan rates – repayment period					
Year	Federal Rate	AlaskAdvantage Rate after Benefits	AK Rate Difference		
2004-2005	3.37%	0.00%	3.37 % lower		
2005-2006	5.30%	1.55%	3.75 % lower		
AlaskAdvantage® 2005-2006 Interest Rates and Benefits					
	In-School		Repayment		
	AlaskAdvantage Stafford Loan	Alaska Supplemental Education Loan	AlaskAdvantage Stafford Loan	Alaska Supplemental	PLUS
05/06 Base Rate	4.70%	5.80%	5.30%	5.80%	6.10%
AlaskAdvantage General Benefit	-1.20%	-0.50%	-0.50%		
Alaska Presence Benefit	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
48 Timely Payments Benefit			-2.00%	-2.00%	-1.00%
Serial Payment Plans Benefit			-0.25%	-0.25%	-0.25%
Lowest Rate Equivalent During Qualifying Periods	2.50%	4.30%	1.55%	2.55%	3.85%

Note: The Alaska Student Loan Corporation (ASLC) provides AlaskAdvantage® federal and Supplemental Education Loan borrowers the benefits package described above. ASLC meets its mission as a public corporation of the state by providing Alaska students with the lowest cost financial aid possible. Benefits provided reduce borrower-paid costs each year that ASLC has the financial capacity to do so. Borrowers should carefully note the actual interest rate identified in loan disclosure documents. In the event of default on the loan, all benefits may be forfeited and interest charged at the full allowable rate. ASLC annually reviews its financial condition and determines whether an adjustment, either in the form of an increase or decrease, in benefits is warranted. Rate reductions are subject to minimum levels as determined by the ASLC.

Analysis of results and challenges: Base interest rates on federally guaranteed education loans are set by the US Department of Education and vary annually, capped at 8.25%. 2005-2006 school year rates on Stafford Loans are 4.70% for the in-school period and 5.30% for repayment. ACPE's federally guaranteed loans include borrower benefits that reduce rates for AlaskAdvantage® borrowers, as noted in the graph below. ACPE's 2.5% in-school rate for borrowers who attend school in Alaska makes these loans the best rate in the nation.

ACPE's flagship alternative loan, the Alaska Supplemental Education Loan (ASEL), carries a rate that varies annually and is equal to the federal base rate during the in-school period, and equal to the federal base rate plus 50 basis points during the repayment period. These are loans for which ACPE bears the costs of any losses due to borrower non-payment, which is why the repayment rate is slightly higher than the federal base rate. The ASEL rate is capped at 8.25% and has a floor of 1.25%.

ASEL rates compare very favorably to rates of national alternative student loan programs, which are tied to an index such as the prime rate, plus a number of points. These loan rates may vary as often as monthly, and may also vary according to the borrower's credit-worthiness. In 2005, the Greentree Gazette, the magazine of the student loan industry, listed the ASEL as the nation's best rate alternative loan.

AlaskAdvantage loans are available only to Alaska residents or to nonresidents who choose to invest their higher education dollars at Alaska institutions. The Commission is pleased to be able to offer continuing reductions that meet the goal of rates at least two percent below the federal rate.

Also in 2005, the Commission reduced the costs of financial aid for Alaska's neediest postsecondary students, awarding \$625,250 to 507 Alaska students with an average unmet need of approximately \$10,000, per the federal higher education need calculation formula. Created in legislation introduced by Governor Frank Murkowski and unanimously approved by the 23rd Alaska Legislature, the AlaskAdvantage Education Grant Program leverages ASLC funds as state match dollars required for participation in the federal Leveraging Education Assistance Program (LEAP).

B1: Strategy - Reduce program costs due to borrower default, delinquency and death

Target #1: 35% of gross loans disbursed have federal guarantee

Measure #1: Percent of loans issued with federal guarantee

Percent of Loans Issued with Federal Guarantee

Year	FFELP \$	Alt \$	Total \$	YTD Total
2003	10,765,700	49,005,504	59,771,204	18%
2004	17,389,320	49,230,027	66,619,347	28%
2005	23,367,531	47,541,452	70,908,983	32%

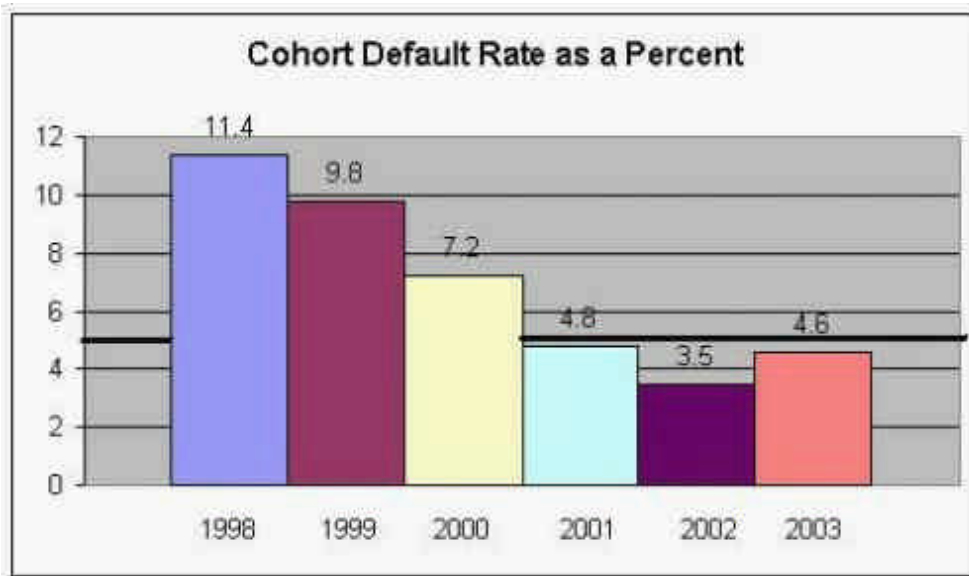
Analysis of results and challenges: ACPE became a lender of federally guaranteed loans in FY03. By year end, ACPE had emerged as the number one lender in Alaska. In FY04, ACPE's federal lending volume continued to grow, from 18% of ACPE's total volume to 28%. In FY05, federal volume has grown even further, although not at the astonishing pace of its first years. ACPE expects to meet its goal of issuing 35% of its loans with federal guarantees within four years of implementing federal lending.

Increasing ACPE's federally guaranteed loan volume reduces net program costs because the federal guarantee caps loan losses at two percent. Assuming that ACPE exercises due diligence in loan servicing, ACPE is reimbursed at 98% for losses due to borrower default, full disability, or death. These guaranteed loans also bring to ACPE federally-funded interest subsidies for low-income borrowers in qualifying periods, significantly lowering cost for our neediest students, without increasing costs to ACPE or to the State.

Federal loans require completion of the FAFSA (Free Application for Federal Student Aid), which also serves as the student's application for federal or state need-based grant funds for which they may be eligible, again significantly lowering college costs for Alaska's neediest students.

Target #2: Maintain cohort default rate of 5% or lower

Measure #2: Cohort default rate



Analysis of results and challenges: ACPE's alternative loan program default rate is an annual calculation measuring the percentage of dollars borrowed that enter repayment during a specific calendar year and are at least six months in arrears at the end of the first 12 months of repayment. The most recent rate of 4.6%, calculated in January 2005 for the 2003 cohort, although an increase from the previous year, remains well below the Commission's target of 5%. It is important to note that the cohort default calculation does not apply to federally guaranteed loans.

Over the past decade the Alaska Legislature equipped ACPE with a variety of effective collection tools. Simultaneously, program management implemented improved, aggressive default prevention and management campaigns. ACPE joined with campaign partners such as key colleges, universities, and vocational schools serving Alaska Supplemental Education Loan borrowers. The default prevention campaign is a unique education loan consumer tool, which, if used, helps borrowers avoid default through education, pre-borrowing counseling, and a variety of repayment options. These enhanced borrower services deliver default management through preventive measures, rather than attempting to remedy defaults after they have occurred. For future years, it is expected that default prevention and related management tools will maintain the cohort rate below 5%, although fluctuations below that cap can be expected from year-to-year.

Cost savings such as those resulting from low incidence of default have enabled ACPE to offer Alaskans education loans at substantially below market rates, and to provide a source for need-based grants to Alaskan students. ACPE's emphasis on default prevention also serves ACPE's customers and their communities by creating a growing population that understands the importance of wise credit and wise debt management.

In 2005, the Commission also received its first cohort default rate calculated on its federal loans: 6.5%. The federally guaranteed loans from which this rate is calculated are entitlements, so there is no credit assessment required for loan eligibility. The Commission is particularly proud to see such a low rate on these loans, and credits its pro-active default prevention program with keeping the rate low.

B2: Strategy - Maintain low program administrative costs.

Target #1: Maintain administrative cost at or below 2.5% of outstanding loans portfolio.

Measure #1: Program administrative costs as a percent of portfolio

Program Administrative Cost as a Percent of Portfolio

Year	YTD Total
2001	2.01
2002	2.07 +2.99%
2003	2.55 +23.19%
2004	2.39 -6.27%
2005	2.41 +0.84%

Analysis of results and challenges: The administrative cost trend from FY01 through FY03 was due to an increase in loan volume and the related increase in provisions for loan loss associated with higher origination loan volume. As a means of reducing program losses, in FY03 the Commission began participating in the federal student loan program. Loans made under the federal program carry both interest subsidies and loan guarantees for the lender. As ACPE's overall loan volume shifts increasingly to federally guaranteed loans, program costs should continue to decline modestly.

C: Result - Ensure authorized Alaska postsecondary institutions deliver value-added training products that equip students with the skills and competencies expected and required by Alaska employers.

Target #1: Authorized program completers employed within 90 days of program completion.

Measure #1: Institutional compliance with state standards

Analysis of results and challenges: ACPE is charged by state law to ensure Alaskan postsecondary educational institutions meet minimum operating standards, and to ensure that only qualifying institutions are exempted from authorization requirements. Meeting this charge provides consumer protection for students by setting and monitoring school compliance with minimum standards for institutional academic and administrative capacity. Relevant statutes and regulations are AS 14.48 and 20 AAC 17.

In FY05, Alaska has 37 authorized institutions and 127 exempt institutions. The University of Alaska reports to a Board of Regents and is exempt from authorization requirements. Other exempt programs include, specifically, religious training conducted for church membership and short programs less than 80 hours in length.

C1: Strategy - Provide proactive school compliance program to assist owners and operators in understanding and complying with requirements

Target #1: 100% of authorized schools in compliance with state standards

Measure #1: 100% of authorization applications approved

FY2005	New Applications	Renewal Applications	Amendments
1st Quarter	1	4	0
2nd Quarter	4	2	0
3rd Quarter	1	8	1
4th Quarter	1	2	0

Analysis of results and challenges: In FY05, ACPE processed the following applications for institutional authorization:

Initial Applications for Authorization: 7

Applications for Renewal of Authorization: 16

Applications for Amendments to Authorization: 1

By providing support and assistance to institutions seeking authorization or exemption, to ensure that schools completed the correct application and understood requirements, ACPE was able to meet the target of 100% compliance.

C2: Strategy - Collect and report placement rate for programs delivering authorized job-specific training

Target #1: 75% of authorized program completers employed within 90 days of program completion

Measure #1: % of authorized program completers employed within 90 days of program completion

Analysis of results and challenges: Beginning in 2006, ACPE will report annual completion and placement rates for authorized postsecondary vocational training in Alaska.

Authorized Alaska institutions of postsecondary education are required to maintain completion and placement rates for students in vocational programs. A student is considered to have successfully completed a program if, within 150% of the program's normal duration, the student was awarded the program credential. Completion rates exclude those students who withdrew and received 100% refunds; entered active duty military service, Peace Corps, Americorps, or religious mission; transferred to another educational program or institution; or failed to complete due to an involuntary situation such as death, disability, or incarceration.

Of those students who completed their vocational program of study, institutions are required to calculate the number of students who became employed in their fields within 90 days of program completion, excluding those who do not seek employment in their field or who do not respond to institutional requests for information.

Key RDU Challenges

- Continue to effectively deliver the AlaskAdvantage® Education Grant Program with the program objectives of increasing access for lower-income residents, assist in addressing key worker shortage areas, and incent secondary students to take rigorous high school curriculum;
- Continue to increase AlaskAdvantage® Federal Family Education Loan Program (FFELP) volume;
- Continue to administer and provide policy direction for the ACPE programs, achieving efficiencies and delivering value-added service to Alaskans through improved management, processes, and technology;
- To review and oversee postsecondary programs and institutions operating in the state, with the exception of the University of Alaska system, emphasizing quality in postsecondary education and training to ensure value for Alaskans in their pursuit of lifelong learning;
- Continue to provide Alaskans with information about: the benefits of higher education, the educational opportunities in Alaska, and financial aid programs available to assist in accessing those opportunities;
- Maintain loan portfolio quality through effective collections and enhanced revenues;
- Continue improving service to loan borrowers through informed use of technology; and
- Continue quality internal operations through increased accountability and quality control.

Significant Changes in Results to be Delivered in FY2007

- Increase on-campus assistance to student borrowers;
- Increase on-site assistance and student financial aid technology support for participating institutions;
- Continue to expand early awareness and outreach services to Alaska families for distribution of education financing information;
- Continue to enhance electronic/automated payment options for borrowers;
- Enhance loan origination processes to deliver same-day, or next-day loan processing/disbursement;
- Enhance technological tools to increase loan collection efficiency and effectiveness with no increase in staffing; and
- Enhance electronic desktop tools for ACPE staff to insure accurate and consistent customer service levels

Major RDU Accomplishments in 2005

- Received legislative authority to design and implement the AlaskAdvantage® Education Grant Program for low-income residents to attend postsecondary programs in Alaska;
- Enhanced consolidation loan options to include both alternative loans and Federal Family Education Loan consolidation. This provides substantial borrower cost savings through lower interest rates. Approved over \$30.3 million in consolidation loans in FY2005;
- Retained position as #1 federal education loan provider in the state of Alaska, providing Alaskan students with the lowest cost loans in the nation, at below-market rates ranging from 1.55% to 4.8%;
- Enhanced electronic loan repayment options for borrowers interested in managing their loan accounts online;
- Maintained strong borrower benefit package, providing incentives and rewards to borrowers who attend school or reside in Alaska or who demonstrate certain positive repayment practices;
- Initiated phase II of the Alaska Student Loan Corporation three-year initiative to return original contributed capital back to the State. For FY2006, that constituted a return of \$85 million for State use in paying for capital projects and other permitted, and \$160 million return to date;
- Ended FY2005 with sufficient net income to approve an FY2007 dividend to the State of \$1.9 million, bringing the total returned to the State since FY2001 to \$27 million;
- In FY2005, over 12,226 borrowers received loans totaling more than \$68.6 million;
- Continued to provide full education loan servicing for over 152,000 loans with a total loan portfolio of approximately \$608 million;
- Enabled participation of 1,708 Alaskan undergraduate students in the WICHE Western Undergraduate Exchange program, saving those students and their families approximately \$10.8 million in tuition costs;
- Enabled enrollment of 328 undergraduate students from other states at the University of Alaska in the Western Undergraduate Exchange program; and
- Enabled enrollment of 29 Alaskan graduate students in the WICHE Western Regional. Graduate Exchange Program.

Contact Information

Contact: Diane Barrans, Executive Director
Phone: (907) 465-6740
Fax: (907) 465-3293
E-mail: Diane_Barrans@acpe.state.ak.us

Alaska Postsecondary Education Commission RDU Financial Summary by Component

All dollars shown in thousands

	FY2005 Actuals				FY2006 Management Plan				FY2007 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<u>Formula Expenditures</u>												
None.												
<u>Non-Formula Expenditures</u>												
Program Admin & Operations	0.0	29.0	9,827.4	9,856.4	0.0	120.0	11,021.5	11,141.5	0.0	140.0	11,676.3	11,816.3
WWAMI Medical Education	1,507.3	0.0	0.0	1,507.3	1,507.3	0.0	0.0	1,507.3	1,546.7	0.0	0.0	1,546.7
Totals	1,507.3	29.0	9,827.4	11,363.7	1,507.3	120.0	11,021.5	12,648.8	1,546.7	140.0	11,676.3	13,363.0

**Alaska Postsecondary Education Commission
Summary of RDU Budget Changes by Component
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	1,507.3	120.0	11,021.5	12,648.8
Adjustments which will continue current level of service:				
-Program Admin & Operations	0.0	0.0	389.9	389.9
Proposed budget increases:				
-Program Admin & Operations	0.0	20.0	264.9	284.9
-WWAMI Medical Education	39.4	0.0	0.0	39.4
FY2007 Governor	1,546.7	140.0	11,676.3	13,363.0